

SAPC 18623

Copy 5 of 5

26 August 1957

Gentlemen:

Reference is made to your CMCC Doc. No. 151X5.679 indicating the benefits in combining the production of System 3's.

The procedure you proposed in your letter is hereby approved.

25X1A

[REDACTED]

PCS/DCI:DMK:bas (8/26/57)

Distribution:

STATOTHR

Orig. - [REDACTED], RW
2. - A-101, Approvals
3. - Proj. Comptroller
4. - Chrono (RI)
5. - [REDACTED] - NY-A-501 (A&I)

25X1A

98
DOCUMENT NO. _____
NO CHANGE IN CLASS.
 DECLASSIFIED
CLASS. CHANGED TO: TS C 2011
NEXT REVIEW DATE: _____
AUTH: HR 70-2
DATE: 151227 REVIEWER: 010956

SECRET

16 August 1957

CMCC Doc. No. 151X5.679

Copy 1 of 2

Page 1 of 1

Dear Dan:

As I discussed with you and George during a recent visit, it is highly desirable to estimate the production of the Navy System 3 equipment with the production of the small number of additional systems for [REDACTED]

25X1A

If we can purchase materials, fabricate parts and subassemblies, and conduct final assembly and test in a combined lot, we will realize substantial savings in procurement costs, material record-keeping, assembly labor, manufacturing scheduling-time, and similar administrative and supervisory costs connected with the procurement. Accordingly, we propose to procure and fabricate both orders of equipment under a single MJO (Master Job Order) and to pro rate the costs between the two contracts on the basis of the number of systems ordered under each. Both you and George thought this was a feasible procedure, and we are currently operating on this basis.

We would appreciate a letter giving us written approval to this method of operation and the accounting procedures involved.

Sincerely,

25X1A

25X1A

Bob

ny-4-501
1+1 dec.

SECRET

This document contains neither recommendations nor conclusions of the Central Intelligence Agency. It is the property of the CIA. It is loaned to your agency; it and its contents are not to be distributed outside your agency without CIA permission.

DOCUMENTED 99
NO CHANGES IN CLASS
D
CLASS CHANGED TO: 10 0 0 3011
REINFORCED DATE:
AUTH: 44702
0500 134211 REINFORCED BY 0000